

EXHIBIT 10



Business Blog

FTC alleges Amazon enrolled people in Prime without consent and thwarted members' attempts to cancel

By: Lesley Fair | June 21, 2023 |

In the latest action to challenge alleged digital dark patterns, [the FTC has sued Amazon for enrolling people in its Prime program without the consumer's consent](#). Once consumers were signed up, the complaint also charges that Amazon set up online obstacles that made it difficult for them to cancel their Prime subscription. According to press reports, Amazon's in-house nickname for its efforts to deter consumers from unsubscribing from Prime may shed light on the company's practices. Read on for more about the lawsuit, which alleges violations of the FTC Act and ROSCA – the [Restore Online Shoppers' Confidence Act](#).

At this early stage of litigation, the [complaint](#) remains redacted, but the FTC alleges that Amazon used dark patterns that resulted in the company enrolling consumers in Prime without their consent. For example, during Amazon's online checkout process, consumers were faced with numerous opportunities to subscribe to Amazon Prime for \$14.99 a month. The FTC says that in many cases, the option to buy items without subscribing to Prime was more difficult for consumers to find. In some instances, the button consumers used to complete their transaction didn't clearly state that in choosing that option, they were agreeing not only to buy that item, but also to join Prime for a recurring fee.

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What's more, the FTC says consumers who attempted to cancel Prime faced a labyrinth-like process. According to the complaint, Amazon redirected people to multiple pages that presented offers to continue the subscription at a discounted price, to turn off the auto-renew feature, or to decide not to cancel. The FTC says that only by persevering through page after page and offer after offer were consumers given the opportunity to cancel the service. And that's where that in-house nickname

comes in. According to media reports, Amazon used the term "Iliad" to describe its own cancellation process – a likely reference to Homer's 15,693-line epic poem about the similarly lengthy Trojan War.

Furthermore, the complaint alleges that Amazon was aware that it was enrolling consumers in Prime without their consent and that people were finding it difficult to navigate through the perplexing cancellation process. How did Amazon executives respond? According to the complaint, they failed to take any meaningful steps to address the issues until well after they learned of the FTC's investigation.

The [complaint](#) alleges that Amazon violated the FTC Act by unfairly charging consumers without their consent. In addition, the FTC says the company violated ROSCA by failing to clearly and conspicuously disclose all material terms of the transaction before obtaining consumers' billing information, by failing to get consumers' express informed consent before charging them, and by failing to provide a simple cancellation mechanism.

The case is pending in federal court in the State of Washington. Even at this early stage, the filing of this action demonstrates the FTC's commitment to shedding light on alleged dark patterns. Over the years, the FTC has brought numerous law enforcement actions challenging deceptive or unfair practices by brick-and-mortar retailers and online sellers that served to subvert consumer choice. Many of those matters have challenged the conduct of companies that enrolled consumers in plans or subscriptions – with accompanying recurring charges – without their consent. Some of those companies (and many others) have thrown obstacles in the path of consumers trying to cancel. Have you put your enrollment and cancellation processes to the transparency test?

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